

July 26, 2013

To: Executive Board

Subject: Foothill Transit University Pass Pilot Programs Fare Equity Analysis

Recommendation:

Receive and file the Foothill Transit University Pass Pilot Programs Fare Equity Analysis.

Analysis:

Foothill Transit is proposing a University Pass Pilot program to encourage ridership among the student population within Foothill Transit's service area. Federal Transit Administration (FTA) rules governing the implementation of Title VI of the Civil Rights Act of 1964 outlined in FTA Circular 4702.1B require the submittal of a Fare Equity Analysis for any change of fare with the exception of a demonstration project, defined by the FTA as lasting six months or less. Although this is a pilot project designed specifically to gather data on student ridership to determine an appropriate fee for the student pass, Foothill Transit is submitting a Fare Equity Analysis because the pilot program is slated to last around 18 months.

In June 2013, Foothill Transit signed Memorandums of Understanding (MOUs) to establish Student Pass Pilot Programs at Mt. San Antonio College (Mt. SAC). A similar MOU is being negotiated with the University of La Verne. The programs are designed to begin in August 2013 to correspond with the beginning of the Fall 2013 semester and continue through the Fall 2014 semester. During this time registered students at each campus will have the opportunity to obtain a Foothill Transit TAP card, enabling them to ride Foothill Transit's local lines and Silver Streak free of charge.

During the pilot program, Foothill Transit will be able to track student ridership to determine an appropriate fee to be charged. Before the fee is established, a Title VI Fare Equity Analysis will be conducted to ensure the program does not have a disparate impact or result in a disproportionate burden on minority or low-income populations.

The chart below identifies Foothill Transit's fares that are affected by this pass program:

Fare Type	Current	Proposed
Cash (Adult Local/Student Local)	\$1.25	Decrease fare to \$0
Cash (Discount) – Silver Streak	\$1.15	Decrease fare to \$0
31-Day Student Pass	\$33.00	Decrease fare to \$0

Attachment A is the fare equity analysis that has been completed. The chart below summarizes the proportion of minority and low-income populations at Mt. SAC and University of La Verne for the 2010-2011 Academic Year versus Foothill Transit's service

Executive Board Meeting – 07/26/13
Foothill Transit University Pass Pilot Programs Fare Equity Analysis
Page 2

area. Foothill Transit utilized data provided by each college on the demographic breakdown of their student population to compare to the population of the Foothill Transit service area at large.

	Population	Minority proportion of population	Difference from overall area	Low-income proportion of population	Difference from overall area
Mt. SAC	35,242	75.1%	2.9%	16.7%	-0.6%
University of La Verne	5,400 (on campus undergraduate and graduate students)	64.7%	-7.5%	28%	10.7%
Overall Service Area	1,979,978	72.2%		17.3%	

The proposed University Pass pilot program offers a fare reduction to students at Mt. SAC and University of La Verne. As such, and because the minority and low-income populations reflect the makeup of the general community, there is no reason to conclude that this program will cause a disparate impact or disproportionate burden. As stated previously, this promotional program is being offered over an 18 month period to collect data and determine an appropriate fee to be charged. This allows Foothill Transit one full year of data collection, and then an additional semester to work with each institution and the student body to determine a fee and apply the fee. The extra semester allows continuity between the pilot program period and the time the actual program is in place. It is during this data collection period that additional analysis will be completed, as well as finalizing the disparate impact and disproportionate burden policies. At the time that a permanent fare is established, a Fare Equity Analysis will have been completed to support the establishment of the new fare.

Fiscal Impact

This Fare Analysis represents no fiscal impact; separate board reports have been presented regarding the fiscal impact of the programs themselves.

Sincerely,



Britt Card
Transit Planner



Doran J. Barnes
Executive Director

Attachment

Foothill Transit University Pass Pilot Programs – Fare Equity Analysis

Executive Summary

Foothill Transit is proposing a University Pass Pilot program to encourage ridership among the student population within Foothill Transit's service area. Foothill Transit has developed relationships with both Mt. San Antonio College and University of La Verne, and intends to implement a student pass pilot program at each respective college beginning August 2013. The pilot program will extend through fall 2014, and will allow Foothill Transit to collect information regarding specific student ridership at each campus. After one year of data collection, Foothill Transit will work with each university to determine an appropriate student fee based on usage. The fee will be brought to student vote during the fall 2014 semester, and if passed, will go into effect during the following semester. Before the fee is established, a Title VI Fare Equity Analysis will be conducted to ensure the impacts are minor, if any.

The following analysis explores and documents information regarding the demographic make-up of each college, as well as the breakdown of fare usage among students in general. FTA Circular 4702.1B requires the submittal of a Fare Equity Analysis for any change of fare with the exception of a demonstration project, defined by the FTA as lasting 6 months or less. Although this is a pilot project designed specifically to gather data on student ridership to determine an appropriate fee for the student pass, Foothill Transit is submitting this analysis because the pilot program is slated to last around 18 months.

Background

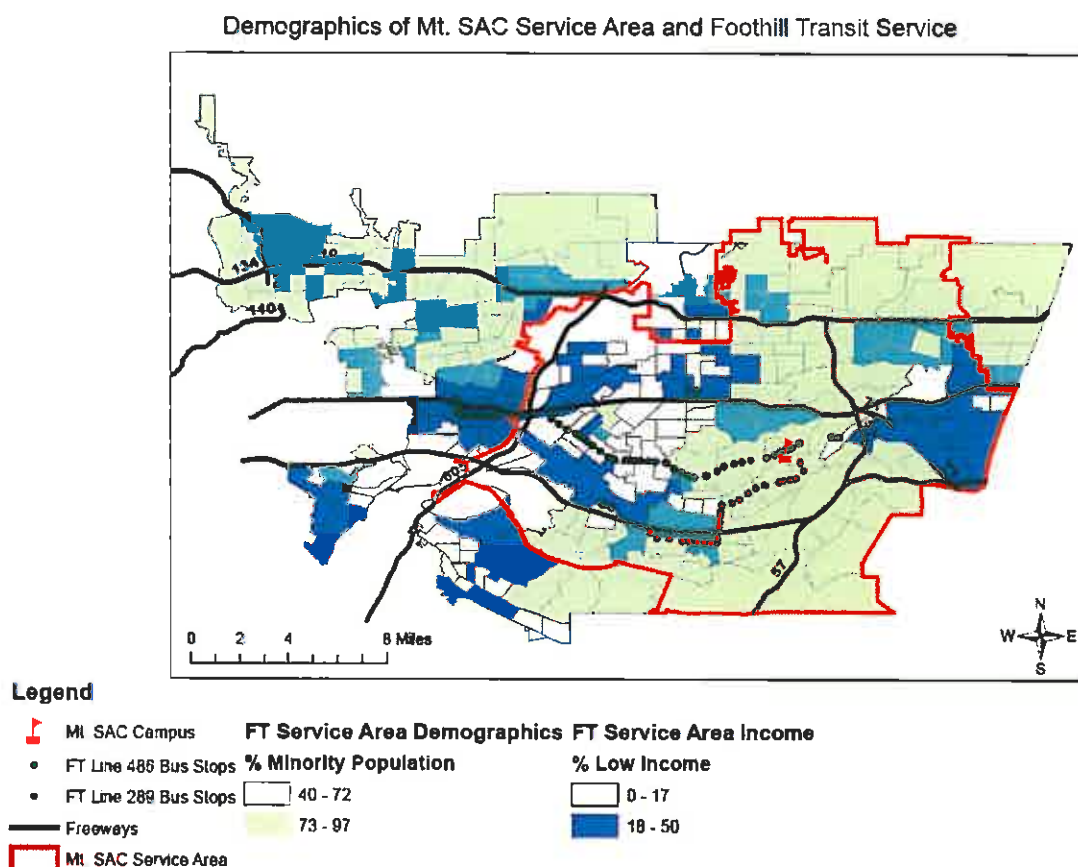
1. Mt. San Antonio College Pass Pilot Program

Mt. San Antonio College (Mt. SAC) is one of the largest of California's 112 community colleges. The college serves over 1 million residents living in the communities of Baldwin Park, Bassett, Charter Oak, Covina, Diamond Bar, southern portion of Glendora, Hacienda Heights, City of Industry, Irwindale, La Puente, La Verne, Pomona, Rowland Heights, San Dimas, Valinda, Walnut, and West Covina. Mt. SAC offers over 200 degree and certificate programs, attracting students beyond its service area.

In June 2013, Foothill Transit and Mt. SAC signed a Memorandum of Understanding to establish a Student Pass Pilot Program. The program is designed to begin August 19, 2013 to correspond to the beginning of the fall 2013 semester and continue through the fall 2014 semester. During this time, Mt. SAC students will have the opportunity to

obtain a Foothill Transit TAP card, enabling them to ride Foothill Transit's local lines and Silver Streak free of charge. The TAP card is the Los Angeles County region's stored value card, and regional fare payment system. During the pilot program time period, Foothill Transit will be able to track student ridership to determine an appropriate fee to charge the students. Finally, when the fee is determined, it will be put to vote by the students during the fall 2014 semester and implemented in spring 2015, if approved. Before the fee is established, a Title VI Fare Equity Analysis will be conducted to ensure the impacts are minor, if any.

Two Foothill Transit local lines, **289** and **486**, directly serve Mt. SAC. Data gathered from the Automatic People Counter from stops adjacent to the Mt. SAC campus show an average of 1,757 boardings and alightings per day. Over the course of the college's academic year, this corresponds to ridership of approximately 220,000 per year. This figure does not include rides on other lines that these students are likely to take. Based on trends observed with the Rio Hondo and PCC programs, that additional ridership is estimated at 200,000 per year. The map below shows the location of Mt. SAC and the routes the two bus lines serves in relationship to the surrounding minority and low-income communities. Communities which exceed the average minority and low-income populations are highlighted:



As the map shows, Mt. SAC serves communities that are above average minority populations, and above average low-income populations. Any student from Mt. SAC is eligible for this free pass, and they are likely to come from this service area.

Finally, Foothill Transit is funding the cost of purchasing the passes, transportation costs, as well as marketing the pass, from Measure R funds. Measure R is a half-cent sales tax that was approved by Los Angeles County voters in 2008 to provide funding that would make "public transportation more convenient and affordable," while improving the "quality of life" for Los Angeles County residents.

2. University of La Verne Pass Pilot Program

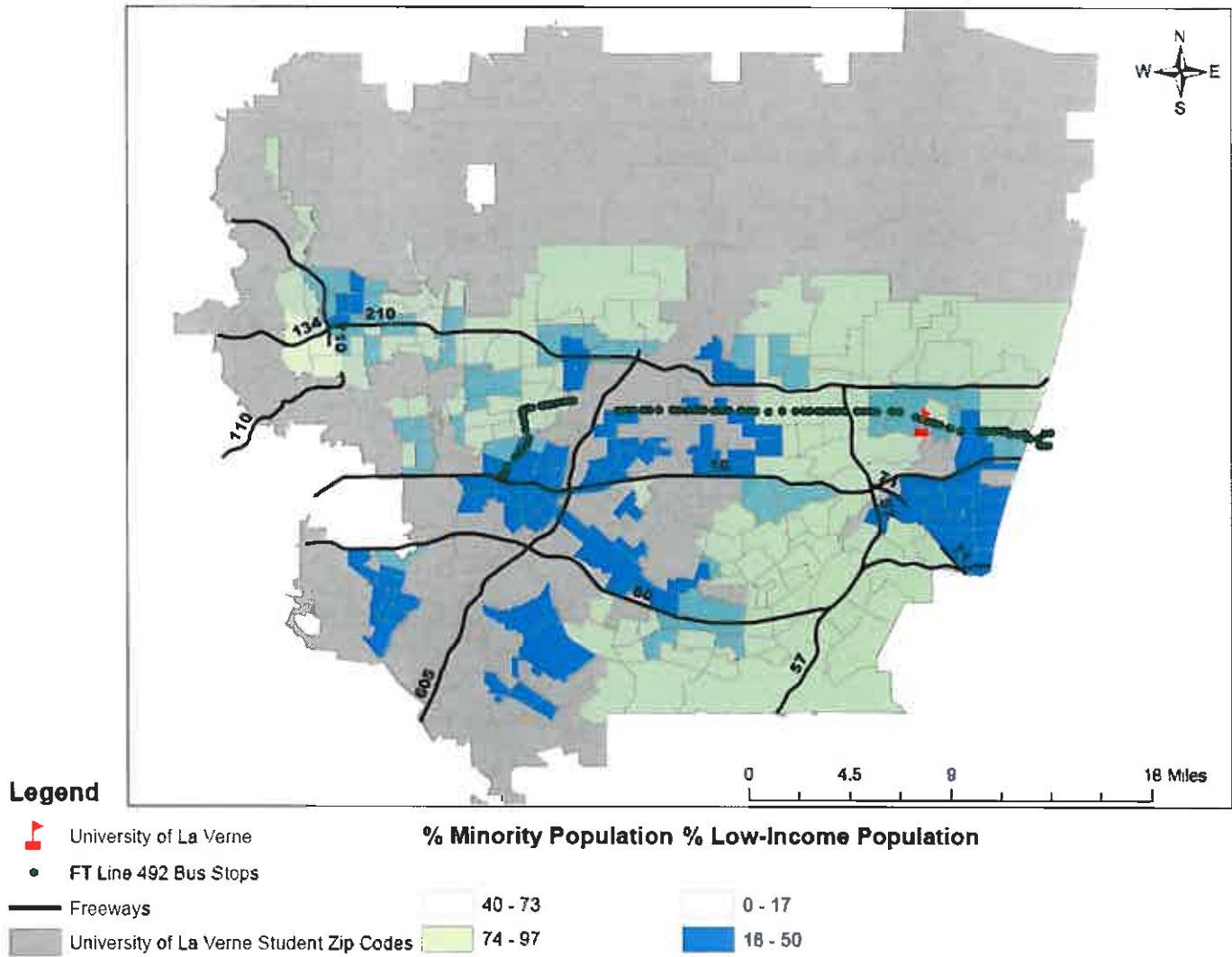
The University of La Verne is a private university in La Verne, CA. It contains four undergraduate and graduate schools: the College of Arts and Sciences, the College of Business and Public Management, the College of Education and Organizational Leadership and the College of Law. The total enrollment, including online students, is 7,500; 5,400 are based out of the main campus at La Verne.

The University Pass Pilot program is structured to work similarly to Mt. SAC's program. Foothill Transit and University of La Verne signed an MOU in June 2013 establishing the pilot program period from August 2013 through the fall semester of 2014. At this point, Foothill Transit and the University will establish the appropriate funding for the program. During the pilot period Foothill Transit will collect data on student ridership.

One Foothill Transit local line, the 492, directly serves the University of La Verne. Based on trends observed with the Rio Hondo and PCC programs, University ridership is conservatively estimated at 20,000 boardings per year for their 5,400 students and 600 staff. As with Mt. SAC, Foothill Transit will be funding the purchase of the pass, marketing and transportation costs.

The map below shows that students at the University of La Verne represent almost every neighborhood in Foothill Transit's service area. The University of La Verne provided zip codes for each student enrolled to start in November; over 70 students are from local zip codes served by Foothill Transit. Some of these zip codes represent areas that are either higher than average minority or low-income populations, or both.

Distribution of University of La Verne Students in FT Service Area



Foothill Transit University Pass Pilot Program

As described above, Foothill Transit is offering passes to students at Mt. SAC and University of La Verne for a pilot period of 18 months. During this time, Foothill Transit will collect data on the usage of the pass, and will be able to determine an appropriate fee for students to pay for the service. The fee will be voted on by students at each campus during the fall semester 2014.

The chart below identifies the fares that are affected by this pass program:

Fare Type	Foothill Transit Current Fare	Foothill Transit Proposed Fare
Cash (Adult Local/Student Local)	\$1.25	Decrease fare to \$0
Cash (Discount) – Silver Streak	\$1.15	Decrease fare to \$0
31-Day Student Pass	\$33.00	Decrease fare to \$0

Foothill Transit's Policy Thresholds and Methodology for Determining Disparate Impact

Foothill Transit only provides bus service, thus the effects on other service modes have not been analyzed. For future fare and service change analysis, Foothill Transit will be working closely with the community to develop policy thresholds to assess the impact of a fare change on minority and low-income populations as required under FTA Circular 4702.1B. Even though the pilot period for this project exceeds the FTA designation of 6 months, this program is being treated as such by Foothill Transit. At the end of the pilot period, an appropriate fee will be determined based on the ridership that is observed during this 18 month trial period. Foothill Transit will conduct another equity analysis when ridership data is collected, and a fee is established.

Analysis of Foothill Transit Promotional Fare Reduction

1. Methodology

Foothill Transit utilized data provided by each college on the demographic breakdown of their student population to compare against the Foothill Transit service area at large. This analysis assumes that the breakdown of student ridership using the proposed pass on Foothill Transit will closely reflect the make-up of the student body population. Foothill Transit services 28 cities and unincorporated areas: Arcadia, Azusa, Baldwin Park, Bradbury, Chino, Chino Hills, Claremont, Covina, Diamond Bar, Duarte, El Monte, Glendora, Hacienda Heights, Industry, Irwindale, La Puente, La Verne, Monrovia, Montclair, Pasadena, Pomona, Rowland Heights, San Dimas, South El Monte, Temple City, Walnut, West Covina and Whittier.

Foothill Transit considers low-income to be a household that earns 30% or less of the median household income in its service area. The average median household income in Foothill Transit's service area is \$68,310.54; therefore, the low income threshold is \$20,493.16. Because the census reports household income in \$10,000 increments (after \$15,000), Foothill Transit considers any household with an income less than \$25,000 as "low-income."

Foothill Transit will be conducting an extensive ridership survey of its customers in 2013. Until then, specific ridership information is unavailable. In addition, during this demonstration period, Foothill Transit will be able to survey the students using the transit pass regarding demographic characteristics.

2. Impact of Fare Change on Minority and Low Income Customers

The chart below summarizes the proportion of minority and low-income populations at Mt. SAC and University of La Verne for the 2010-2011 academic year versus Foothill Transit's service area.

	Population	Minority proportion of population	Difference from overall area	Low-income proportion of population	Difference from overall area
Mt. SAC	35,242	75.1%	2.9%	16.7%	-0.6%
University of La Verne	5,400 (on campus undergraduate and graduate students)	64.7%	-7.5%	28%	10.7%
Overall Service Area	1,979,978	72.2%		17.3%	

The populations of Mt. SAC and University of La Verne represent a small proportion of the overall service area; 1.8% and 0.27%, respectively. The proportion of minorities is higher than the overall service population for Mt. SAC and the proportion of low-income population is higher at University of La Verne than the service area, suggesting a positive impact. However, because the population that is impacted by this pilot program is small, both positive and negative impacts on the service area in general are small.

The chart below reflects the breakdown of student usage of the different fare payment options on the three local lines which serve both universities between July 2012 and May 2013:

Fare Type	System-wide Usage	289	486	492
Cash - Student	0.58%	3.2%	1.1%	0.2%
Stored Value Card (TAP) - Student	0.05%	0.07%	0.05%	0.04%
Student Pass	3.9%	14.2%	8.5%	3.1%

Not surprisingly, overwhelmingly students using these three lines appear to be utilizing the student pass over cash fare. In addition to being more convenient for the students, the student cash fare is the same as the adult cash fare and does not offer significant savings. Again, because the population that is impacted by this pilot program is small, both positive and negative impacts on the service area in general are small.

3. Available Alternative Fare Payment Options

This University Pass Pilot program is currently being offered to students at University of La Verne and Mt. SAC; however, Foothill Transit is actively working to create partnerships with other universities in the area. This pass will replace student passes for students at these two universities, as well as the cash fare.

Conclusions

The proposed University Pass pilot program offers a fare reduction to students at Mt. SAC and University of La Verne. Due to this fact, and the fact that the minority and low-income populations reflect the make up the general community, it is Foothill Transit's general consensus that this program will not cause a disparate impact or disproportionate burden. As stated previously, this promotional program is being offered during an 18 month period to collect data and determine an appropriate fee to charge the students; this allows Foothill Transit one full year of data collection, and then an additional semester to work with each university and the student body to determine a fee and apply the fee. The extra semester allows continuity between the pilot program period and the time the actual program is in place. It is during this data collection period that additional analysis will be completed, as well as finalizing the disparate impact and disproportionate burden policies. At the time that a permanent fare is established, a Fare Equity Analysis will have been completed to support the establishment of the new fare.